



Office of Campaign Finance

**FINAL PERIODIC AUDIT REPORT ON
COUNCILMEMBER VINCENT GRAY
CITIZEN SERVICE PROGRAM
APRIL 1, 2006 REPORT OF RECEIPTS AND
EXPENDITURES
(01/01/06 THROUGH 03/31/06)**

JULY 2006

**REPORTS ANALYSIS AND AUDIT DIVISION
OFFICE OF CAMPAIGN FINANCE
WASHINGTON, DC 20009**

I. BACKGROUND

A. Overview

The Citizen-Service Program registered with the Office of Campaign Finance (OCF) on June 23, 2005, in accordance with D.C. Official Code Section 1-1104.03 (2001 Edition). In the Statement of Organization, the Elected Official designated the name of the Citizen-Service Program, **Councilmember Vincent C. Gray Constituent Service Fund**. The Citizen-Service Program filed its April 1, 2006 Report of Receipts and Expenditures on April 3, 2006.

The periodic field audit of the statements and records of the Citizen-Service Program covered the period January 1, 2006 through March 31, 2006. During the period of the pre-audit (desk review), the Report filed by the Citizen-Service Program reflected total aggregate receipts of \$1,300.00 and expenditures of \$5,264.57, and an ending cash balance of \$6,798.47. Total receipts and expenditures per **audit** were \$1,300.00 and \$5,264.57 respectively with an ending cash balance of \$6,798.47.

B. Scope

The audit procedures performed included a verification and/or examination of:

1. The mathematical accuracy of the Report of Receipts and Expenditures filed with the Director, Office of Campaign Finance, during the period audited;
2. Total reported receipts and expenditures and individual transactions with source documents;
3. Conformity with the contribution limitation as mandated by D.C. Official Code Section 1-1104.03 (2001 Edition);
4. Debts and obligations, if any, of the Citizen-Service Program;
5. Proper categorization of the receipts and expenditures of the Citizen-Service Program; and
6. The review procedures as deemed necessary under the circumstances.

II. AUDITOR'S STATEMENT

The underlying issues noted in the Statement of Findings presented to the Citizen-Service Program on May 30, 2006 pertained to: 1) Expenditures that were reported, but not negotiated through the Committee's bank account; and 2) the lack of proper

documentation relating to recordingkeeping requirements for expenditures (invoices or supporting documentation).

In its Response to the Statement of Findings received by the Audit staff on July 7, 2006, the Citizen-Service Program provided a copy of the Committee bank statement for the month of April 2006 along with the cancelled checks. The statement indicated that the aforementioned expenditures that were reported, however not negotiated through the Committee's bank account were actually outstanding checks that had not cleared the Committee's account within the audit period (January 1, 2006 through March 31, 2006). In addition, the Citizen-Service Program provided the proper documentation regarding recordkeeping of the expenditures for the audit period as recommended in the Statement of Findings.

It is the opinion of the Audit staff, based upon the audit of the Report of Receipts and Expenditures filed, the financial records presented, the Citizen-Service Program's Response to the Statement of Findings, and the additional documentation submitted, that the Report of April 1, 2006, accurately represents the financial history of the Citizen-Service Program for that reporting period. The accounting of the receipts and expenditures are in compliance with the disclosure provisions of the District of Columbia Campaign Finance Reform and Conflict of Interest Act of 1974, as amended.

III. RECOMMENDATION

We, therefore, recommend that this report be issued as a "Final Periodic Audit Report". We have determined that the Report filed by **Councilmember Vincent C. Gray Citizen-Service Fund**, with the Director, Office of Campaign Finance, is in substantial compliance with the District of Columbia Campaign Finance Reform and Conflict of Interest Act of 1974, as amended.

July 14, 2006

Date

Renee Coleman-Bunn

Renee Coleman-Bunn
Audit Manager

FINAL PERIODIC AUDIT APPROVED FOR RELEASE:

Cecily E. Collier-Montgomery

Cecily E. Collier-Montgomery
Director
Office of Campaign Finance

June 14, 2006

Date